

IFA – Low Income Housing Tax Credit

“Kaizen This!” Team

July 7 - 11, 2008

The Opportunity

The Team



Team Members

Dennis

- Carla Pope, IFA
- Dave Vaske, IFA
- Roger Brown, IFA
- Tim Morlan, IFA
- Craig Johnson, IFA
- Leo Duffy, IFA
- Terri Rosonke, IFA
- Cynthia Thompson, IFA
- Connie Dippel, IFA
- Kerry Carman, IFA
- Dave Ginger, WHEDA
- Jim Beal, McGladrey
- Mark Thompson, IFA
- Grant Dugdale, AG
- Tom Morin, Guidon
- Mike Rohlf, DOM
- Dennis Schwartz, IWD

Scope

Dennis

- This Kaizen event will address the LIHTC process from the first draft of the Qualified Allocation Plan (QAP) to issuance of form 8609.

Objectives

Craig

- Make changes in the process to automate
- Have a better defined procedure
- Have a streamlined process
- Standardize the process for 4% credits.
(subject to time limitations)
- Better defined roles
- Define and collect the minimum and relevant required information
- Use IT tools to make fewer decision points and to track workflow

Goals

Connie

- Even out the workflow over a 12 month period vs. a 3 month period
- Reduce deficiencies by 50%
- Reduce handoffs by 25%
- Eliminate overtime
- Have a working online application by 9-03-08
- Reduce the application review time by 50%
- Improve form 8609 processing time by 33%
- Improve carryover review time by 50%

Kaizen Methodology

Mike Rohlf

- Clear objectives
- Team process
- Tight focus on time
- Quick & simple
- Necessary resources immediately available
- Immediate results (new process designed by end of week)
- 5S “mindset”, use the steps to support the event activities

Current Process

Roger



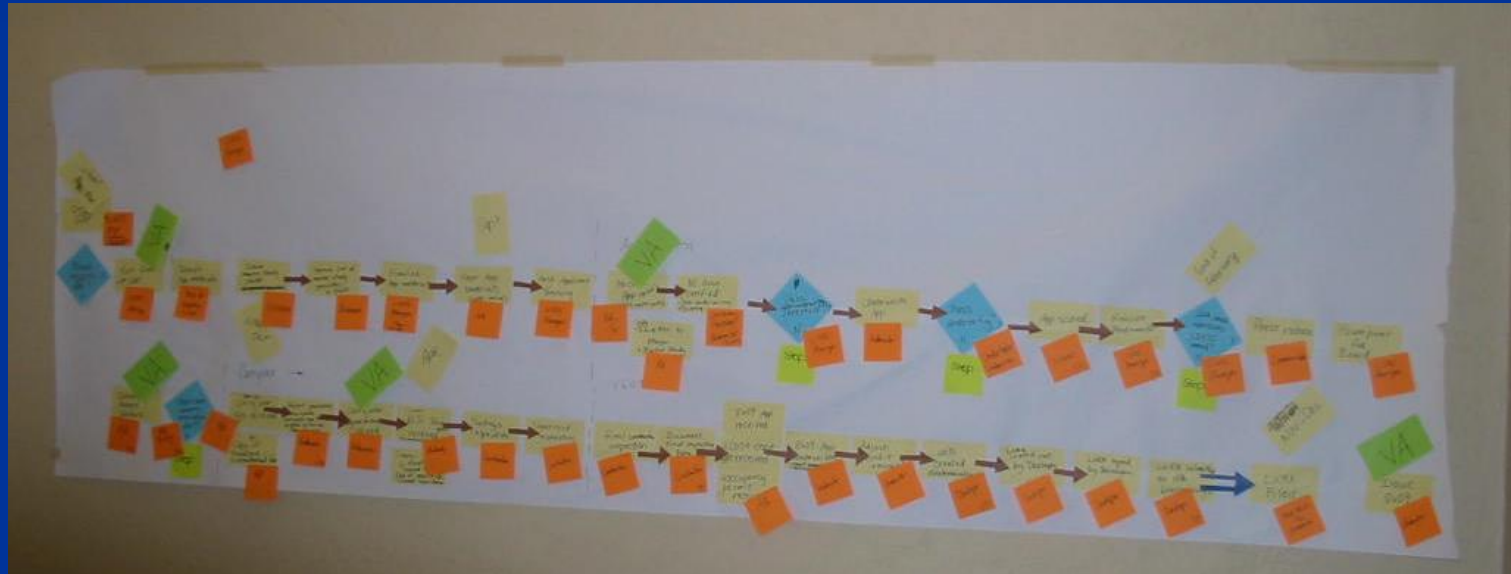
Brainstorming

Kerry

- New and improved
- Common themes

New Process

Terri



Results

Tim

	Current Process	New Process
# Steps in Process	372	100*
# Handoffs	80	17
# Decisions	14	5
# Value-added	5	5

* estimate

Key Improvements

Cynthia

- Streamlined process
- Workflow more evenly dispersed throughout year
- Shorter application review time
- Reduced number of process steps
- Reduced number of handoffs
- Improved training process
- Reduced number of deficiencies in applications
- Quicker response for customers

Key Improvements

Cynthia

- Improved customer relations
- Simplified process for customer

Key Learnings

Mark

- There are multiple inputs to the process
- Lack of defined roles causes undue stress on team members
- Action-oriented meetings can reduce the frequency of unnecessary electronic communication
- We did not have a balanced workload
- There is a lack of cross-training and backup for key roles

Rollout Plan

Dave

Item	Item Description	Person Responsible	Due Date
1	Application Preparation ▪ Define application, exhibits and attachments	Dave V	7-18-08
2	Application ▪ Define process & roles ▪ Update forms for new process	Dave V	8-06-08
3	8609 ▪ Define process & roles ▪ Update forms for new process ▪ Scrub LURA	Cynthia	7-22-08

Rollout Plan

Dave

Item	Item Description	Person Responsible	Due Date
4	Carryover <ul style="list-style-type: none">Define process & rolesUpdate forms for new processScrub Carryover Agreement	Cynthia	7-24-08
5	Supplementals <ul style="list-style-type: none">Define process & rolesUpdate forms for new process	Cynthia	7-28-08
6	Construction <ul style="list-style-type: none">Define process & rolesUpdate forms for new processReview policies & procedures	Leo	8-12-08
7	4% Credits/Bonds <ul style="list-style-type: none">Outline processDefine timeline	Craig	8-15-08

Rollout Plan

Dave

Item	Item Description	Person Responsible	Due Date
8	Training <ul style="list-style-type: none">■ Develop training■ Develop delivery method■ Schedule	Dave V	8-21-08
9	Review QAP <ul style="list-style-type: none">■ Review procedures■ Make revisions■ Submit to board■ Late submittal penalty■ Process for Market Study	Dave V	5-01-09

Team Member's Experience

Craig, Leo

Comments

Tom Morin

**We welcome your
questions and comments!**